

Business Initiative Council (BIC) Promotes DoD Transformation Goals

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WASHINGTON, Nov. 14, 2001—Using BIC, senior Defense leaders want to “rewrite” organizational business practices using private sector-inspired ideas and methods in transforming DoD into a more efficient organization for the 21st century.

“BIC” isn’t a pen, but [an acronym for] the DoD Business Initiative Council, a group of senior defense officials led by Edward C. “Pete” Aldridge Jr., Under Secretary of Defense for Acquisition, Technology and Logistics. Defense Secretary Donald H. Rumsfeld created the council in June.

Its purpose is “to recommend good business practices and find and implement cost savings that ... could offset the funding requirements for personnel programs, infrastructure, revitalization, re-capitalization, equipment modernization, and anything having to do with transformation,” Navy Vice Adm. Joe Dyer explained to Pentagon reporters Nov. 7.

Dyer, Commander of Naval Air Systems Command, recently chaired a Navy-led BIC executive steering committee comprised of three-star officers representing each Service. The steering committees, he noted, canvass the Services, seeking better business ideas or initiatives for adoption DoD-wide.

“Mr. Aldridge specifically gave us a directive to be action-focused, to look wide across the Department of Defense in our workforce, and to be gladiators in the front line of what Secretary Rumsfeld has called the ‘Battle of Bureaucracy,’” Dyer remarked.

In addition to Aldridge, BIC members include Army Secretary Thomas E. White; Air Force Secretary James G. Roche; Navy Secretary Gordon R. England; and Marine Gen. Peter Pace, Vice Chairman of the Joint Chiefs of Staff.

The BIC schedule calls for phased steering committees, led in rotation by each Service for six months, said Navy Rear Adm. Robert E. Cowley, Executive Director and representative for the Navy-led steering committee that recently concluded its business. Cowley, also at the press briefing, noted the Air Force is chairing the current BIC steering committee. The Army will follow starting in March 2002, then the Marine Corps.

In September, Dyer said, the BIC approved 10 initiatives from those solicited by the Navy committee. The initiatives—which involve personnel hiring, staffing, financial operations, and acquisition practices—are:

- Modify or waive Civil Service “priority placement” rules to allow expedi-

tious hiring of critically needed scientists and engineers.

- Modify the 180-day waiting period in hiring retired military for Civil Service jobs.
- Change full-time civilian end-strength controls to allow DoD more efficient use of contract employees within the civilian workforce.
- Employ more contingency-fee auditing service contracts to find and recover DoD overpayments to providers of goods and services.
- Allow a higher limit of procurement or research and development funding dollars to be reprogrammed or transferred to other accounts, as needed.
- Increase the use of automated financial management systems to expedite payment to vendors.
- Incorporate a Web-based schedule for DoD test facilities.
- Negotiate new DoD cellular phone contracts to obtain less expensive group rates.
- Expand the Enterprise Software Initiative to streamline the acquisition process through bulk purchase of commercial (off-the-shelf) systems and technologies.

- Implement a common, standard flight clearance process.

Action plans are being developed for the approved initiatives, Dyer noted, adding that some will require decision memoranda from Aldridge, while others, like the reprogramming of research and development funding, will require input from Capitol Hill.

Dyer said this first group of approved initiatives represents "the potential ... of a quarter-of-a-billion dollars" in savings for DoD.

The BIC is actually chartered to run through the end of fiscal 2003, Cowley noted. He said BIC's charter could be extended, based on success.

"We are making progress to date," Dyer said. "We are building the capability to track and measure our savings. There's no shortage of good ideas and no shortage of good things to do."

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